

**MENTION**

Dénomination / Raison Sociale: **PayPal 2 S.à r.l.**

Siège Social: **22-24, boulevard Royal, L-2449 Luxembourg**

Numéro d'immatriculation au registre de commerce et des sociétés : **B 127758**

Les comptes annuels au **31 décembre 2015** ont été enregistrés au registre de commerce et des sociétés.

Pour mention aux fins de publication au Mémorial, Recueil des Sociétés et Associations.

Un mandataire

RCSL Nr. : B127758

Matricule : 2007 2420 447

eCDF entry date : 12/04/2016

**BALANCE SHEET****Financial year from** <sup>01</sup> 01/01/2015 **to** <sup>02</sup> 31/12/2015 (in <sup>03</sup> USD )

PayPal 2 S.à r.l.

22-24, Boulevard Royal  
L-2449 Luxembourg**ASSETS**

	Reference(s)	Current year	Previous year
<b>A. Subscribed capital unpaid</b>	1101 _____	101 _____ 0,00	102 _____ 0,00
I. Subscribed capital not called	1103 _____	103 _____	104 _____
II. Subscribed capital called but unpaid	1105 _____	105 _____	106 _____
<b>B. Formation expenses</b>	1107 _____	107 _____	108 _____
<b>C. Fixed assets</b>	1109 _____	109 _____ 3.645.437.447,26	110 _____ 2.545.437.447,26
I. Intangible fixed assets	1111 _____	111 _____ 0,00	112 _____ 0,00
1. Research and development costs	1113 _____	113 _____	114 _____
2. Concessions, patents, licences, trade marks and similar rights and assets, if they were	1115 _____	115 _____ 0,00	116 _____ 0,00
a) acquired for valuable consideration and need not be shown under C.I.3	1117 _____	117 _____	118 _____
b) created by the undertaking itself	1119 _____	119 _____	120 _____
3. Goodwill, to the extent that it was acquired for valuable consideration	1121 _____	121 _____	122 _____
4. Payments on account and intangible fixed assets under development	1123 _____	123 _____	124 _____
II. Tangible fixed assets	1125 _____	125 _____ 0,00	126 _____ 0,00
1. Land and buildings	1127 _____	127 _____	128 _____
2. Plant and machinery	1129 _____	129 _____	130 _____

	Reference(s)	Current year	Previous year
3. Other fixtures and fittings, tools and equipment	1131 _____	131 _____	132 _____
4. Payments on account and tangible fixed assets under development	1133 _____	133 _____	134 _____
III. Financial fixed assets	1135 _____	135 <u>3.645.437.447,26</u>	136 <u>2.545.437.447,26</u>
1. Shares in affiliated undertakings	1137 _____ 3	137 <u>3.645.437.447,26</u>	138 <u>2.545.437.447,26</u>
2. Amounts owed by affiliated undertakings	1139 _____	139 _____	140 _____
3. Shares in undertakings with which the undertaking is linked by virtue of participating interests	1141 _____	141 _____	142 _____
4. Amounts owed by undertakings with which the undertaking is linked by virtue of participating interests	1143 _____	143 _____	144 _____
5. Securities and other financial instruments held as fixed assets	1145 _____	145 _____	146 _____
6. Loans and claims held as fixed assets	1147 _____	147 _____	148 _____
7. Own shares or own corporate units	1149 _____	149 _____	150 _____
<b>D. Current assets</b>	1151 _____	151 <u>3.509,49</u>	152 <u>14.625,77</u>
I. Inventories	1153 _____	153 <u>0,00</u>	154 <u>0,00</u>
1. Raw materials and consumables	1155 _____	155 _____	156 _____
2. Work and contracts in progress	1157 _____	157 _____	158 _____
3. Finished goods and merchandise	1159 _____	159 _____	160 _____
4. Payments on account	1161 _____	161 _____	162 _____
II. Debtors	1163 _____	163 <u>3.509,49</u>	164 <u>11.731,14</u>
1. Trade receivables	1165 _____	165 <u>0,00</u>	166 <u>0,00</u>
a) becoming due and payable within one year	1167 _____	167 _____	168 _____
b) becoming due and payable after more than one year	1169 _____	169 _____	170 _____
2. Amounts owed by affiliated undertakings	1171 _____	171 <u>0,00</u>	172 <u>0,00</u>
a) becoming due and payable within one year	1173 _____	173 _____	174 _____
b) becoming due and payable after more than one year	1175 _____	175 _____	176 _____
3. Amounts owed by undertakings with which the undertaking is linked by virtue of participating interests	1177 _____	177 <u>0,00</u>	178 <u>0,00</u>
a) becoming due and payable within one year	1179 _____	179 _____	180 _____
b) becoming due and payable after more than one year	1181 _____	181 _____	182 _____

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	Reference(s)	Current year	Previous year
4. Other receivables	1183 _____	183 <u>3.509,49</u>	184 <u>11.731,14</u>
a) becoming due and payable within one year	1185 _____	185 <u>3.509,49</u>	186 <u>11.731,14</u>
b) becoming due and payable after more than one year	1187 _____	187 _____	188 _____
III. Transferable securities and other financial instruments	1189 _____	189 <u>0,00</u>	190 <u>0,00</u>
1. Shares in affiliated undertakings and in undertakings with which the undertaking is linked by virtue of participating interests	1191 _____	191 _____	192 _____
2. Own shares or own corporate units	1193 _____	193 _____	194 _____
3. Other transferable securities and other financial instruments	1195 _____	195 _____	196 _____
IV. Cash at bank, cash in postal cheque accounts, cheques and cash in hand	1197 _____	197 _____	198 <u>2.894,63</u>
E. Prepayments	1199 _____	199 _____	200 _____
<b>TOTAL (ASSETS)</b>		201 <u>3.645.440.956,75</u>	202 <u>2.545.452.073,03</u>

**LIABILITIES**

	Reference(s)	Current year	Previous year
<b>A. Capital and reserves</b>			
	1301 _____	301 <u>3.645.376.667,90</u>	302 <u>2.545.391.682,55</u>
I. Subscribed capital	1303 _____ 4	303 <u>3.640.000.000,00</u>	304 <u>2.540.000.000,00</u>
II. Share premium and similar premiums	1305 _____	305 _____	306 _____
III. Revaluation reserves	1307 _____	307 _____	308 _____
IV. Reserves	1309 _____	309 <u>318.950,84</u>	310 <u>318.950,84</u>
1. Legal reserve	1311 _____ 5	311 <u>318.950,84</u>	312 <u>318.950,84</u>
2. Reserve for own shares or own corporate units	1313 _____	313 _____	314 _____
3. Reserves provided for by the articles of association	1315 _____	315 _____	316 _____
4. Other reserves	1317 _____	317 _____	318 _____
V. Profit or loss brought forward	1319 _____	319 <u>5.072.731,71</u>	320 <u>5.121.422,22</u>
VI. Profit or loss for the financial year	1321 _____	321 <u>-15.014,65</u>	322 <u>-48.690,51</u>
VII. Interim dividends	1323 _____	323 _____	324 _____
VIII. Capital investment subsidies	1325 _____	325 _____	326 _____
IX. Temporarily not taxable capital gains	1327 _____	327 _____	328 _____
<b>B. Subordinated debts</b>			
	1329 _____	329 <u>0,00</u>	330 <u>0,00</u>
1. Convertible loans	1413 _____	413 <u>0,00</u>	414 <u>0,00</u>
a) becoming due and payable within one year	1415 _____	415 _____	416 _____
b) becoming due and payable after more than one year	1417 _____	417 _____	418 _____
2. Non convertible loans	1419 _____	419 <u>0,00</u>	420 <u>0,00</u>
a) becoming due and payable within one year	1421 _____	421 _____	422 _____
b) becoming due and payable after more than one year	1423 _____	423 _____	424 _____
<b>C. Provisions</b>			
	1331 _____	331 <u>28.585,25</u>	332 <u>33.292,34</u>
1. Provisions for pensions and similar obligations	1333 _____	333 _____	334 _____
2. Provisions for taxation	1335 _____ 6	335 <u>3.509,49</u>	336 <u>13.904,34</u>
3. Other provisions	1337 _____ 7	337 <u>25.075,76</u>	338 <u>19.388,00</u>
<b>D. Non subordinated debts</b>			
	1339 _____	339 <u>35.703,60</u>	340 <u>27.098,14</u>
1. Debenture loans	1341 _____	341 <u>0,00</u>	342 <u>0,00</u>
a) Convertible loans	1343 _____	343 <u>0,00</u>	344 <u>0,00</u>
i) becoming due and payable within one year	1345 _____	345 _____	346 _____
ii) becoming due and payable after more than one year	1347 _____	347 _____	348 _____

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	Reference(s)	Current year	Previous year
b) Non convertible loans	1349 _____	349 _____ 0,00	350 _____ 0,00
i) becoming due and payable within one year	1351 _____	351 _____	352 _____
ii) becoming due and payable after more than one year	1353 _____	353 _____	354 _____
2. Amounts owed to credit institutions	1355 _____	355 _____ 35.703,60	356 _____ 27.098,14
a) becoming due and payable within one year	1357 _____	357 _____ 35.703,60	358 _____ 27.098,14
b) becoming due and payable after more than one year	1359 _____	359 _____	360 _____
3. Payments received on account of orders as far as they are not deducted distinctly from inventories	1361 _____	361 _____ 0,00	362 _____ 0,00
a) becoming due and payable within one year	1363 _____	363 _____	364 _____
b) becoming due and payable after more than one year	1365 _____	365 _____	366 _____
4. Trade creditors	1367 _____	367 _____ 0,00	368 _____ 0,00
a) becoming due and payable within one year	1369 _____	369 _____	370 _____
b) becoming due and payable after more than one year	1371 _____	371 _____	372 _____
5. Bills of exchange payable	1373 _____	373 _____ 0,00	374 _____ 0,00
a) becoming due and payable within one year	1375 _____	375 _____	376 _____
b) becoming due and payable after more than one year	1377 _____	377 _____	378 _____
6. Amounts owed to affiliated undertakings	1379 _____	379 _____ 0,00	380 _____ 0,00
a) becoming due and payable within one year	1381 _____	381 _____	382 _____
b) becoming due and payable after more than one year	1383 _____	383 _____	384 _____
7. Amounts owed to undertakings with which the undertaking is linked by virtue of participating interests	1385 _____	385 _____ 0,00	386 _____ 0,00
a) becoming due and payable within one year	1387 _____	387 _____	388 _____
b) becoming due and payable after more than one year	1389 _____	389 _____	390 _____
8. Tax and social security debts	1391 _____	391 _____ 0,00	392 _____ 0,00
a) Tax debts	1393 _____	393 _____	394 _____
b) Social security debts	1395 _____	395 _____	396 _____

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	Reference(s)	Current year	Previous year
9. Other creditors	1397	0,00	0,00
a) becoming due and payable within one year	1399		400
b) becoming due and payable after more than one year	1401		402
<b>E. Deferred income</b>	1403		404
<b>TOTAL (LIABILITIES)</b>		3.645.440.956,75	2.545.452.073,03

The notes in the annex form an integral part of the annual accounts

## PROFIT AND LOSS ACCOUNT

Financial year from <sup>01</sup> 01/01/2015 to <sup>02</sup> 31/12/2015 (in <sup>03</sup> USD )

PayPal 2 S.à r.l.

22-24, Boulevard Royal

L-2449 Luxembourg

## A. CHARGES

	Reference(s)	Current year	Previous year
<b>1. Use of merchandise, raw materials and consumable materials</b>	1601 _____	601 _____	602 _____
<b>2. Other external charges</b>	1603 _____	603 <u>12.060,44</u>	604 <u>30.097,47</u>
<b>3. Staff costs</b>	1605 _____	605 <u>0,00</u>	606 <u>0,00</u>
a) Salaries and wages	1607 _____	607 _____	608 _____
b) Social security on salaries and wages	1609 _____	609 _____	610 _____
c) Supplementary pension costs	1611 _____	611 _____	612 _____
d) Other social costs	1613 _____	613 _____	614 _____
<b>4. Value adjustments</b>	1615 _____	615 <u>0,00</u>	616 <u>0,00</u>
a) on formation expenses and on tangible and intangible fixed assets	1617 _____	617 _____	618 _____
b) on current assets	1619 _____	619 _____	620 _____
<b>5. Other operating charges</b>	1621 _____	621 _____	622 _____
<b>6. Value adjustments and fair value adjustments on financial fixed assets</b>	1623 _____	623 _____	624 <u>13.977,60</u>
<b>7. Value adjustments and fair value adjustments on financial current assets. Loss on disposal of transferable securities</b>	1625 _____	625 _____	626 _____
<b>8. Interest and other financial charges</b>	1627 _____	627 <u>2.594,42</u>	628 <u>1.225,48</u>
a) concerning affiliated undertakings	1629 _____	629 <u>2.093,21</u>	630 _____
b) other interest and similar financial charges	1631 _____	631 <u>501,21</u>	632 <u>1.225,48</u>



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	Reference(s)	Current year	Previous year
<b>9. Share of losses of undertakings accounted for under the equity method</b>	1649 _____	649 _____	650 _____
<b>10. Extraordinary charges</b>	1633 _____	633 _____	634 _____
<b>11. Income tax</b>	1635 _____	635 <u>10.460,45</u>	636 <u>3.969,33</u>
<b>12. Other taxes not included in the previous caption</b>	1637 _____	637 <u>-7.442,37</u>	638 <u>30,91</u>
<b>13. Profit for the financial year</b>	1639 _____	639 <u>0,00</u>	640 <u>0,00</u>
<b>TOTAL CHARGES</b>		641 <u>17.672,94</u>	642 <u>49.300,79</u>

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**B. INCOME**

	Reference(s)	Current year	Previous year
<b>1. Net turnover</b>	1701 _____	701 _____	702 _____
<b>2. Change in inventories of finished goods and of work and contracts in progress</b>	1703 _____	703 _____	704 _____
<b>3. Fixed assets under development</b>	1705 _____	705 _____	706 _____
<b>4. Reversal of value adjustments</b>	1707 _____	707 <u>0,00</u>	708 <u>0,00</u>
a) on formation expenses and on tangible and intangible fixed assets	1709 _____	709 _____	710 _____
b) on current assets	1711 _____	711 _____	712 _____
<b>5. Other operating income</b>	1713 _____	713 _____	714 _____
<b>6. Income from financial fixed assets</b>	1715 _____	715 <u>0,00</u>	716 <u>0,00</u>
a) derived from affiliated undertakings	1717 _____	717 _____	718 _____
b) other income from participating interests	1719 _____	719 _____	720 _____
<b>7. Income from financial current assets</b>	1721 _____	721 <u>0,00</u>	722 <u>0,00</u>
a) derived from affiliated undertakings	1723 _____	723 _____	724 _____
b) other income from financial current assets	1725 _____	725 _____	726 _____
<b>8. Other interest and other financial income</b>	1727 _____	727 <u>2.658,29</u>	728 <u>610,28</u>
a) derived from affiliated undertakings	1729 _____	729 _____	730 _____
b) other interest and similar financial income	1731 _____	731 <u>2.658,29</u>	732 <u>610,28</u>
<b>9. Share of profits of undertakings accounted for under the equity method</b>	1745 _____	745 _____	746 _____
<b>10. Extraordinary income</b>	1733 _____	733 _____	734 _____
<b>13. Loss for the financial year</b>	1735 _____	735 <u>15.014,65</u>	736 <u>48.690,51</u>
<b>TOTAL INCOME</b>		737 <u>17.672,94</u>	738 <u>49.300,79</u>

**PayPal 2 S.à r.l.**Notes to the annual accounts as at December 31<sup>st</sup>, 2015**NOTE 1 - GENERAL INFORMATION**

PayPal 2 S.à r.l. (hereafter “the Company”) was incorporated on April 18<sup>th</sup>, 2007 and organised under the laws of Luxembourg as a private limited liability company (*société à responsabilité limitée*) for an unlimited period.

The registered office of the Company is established at 22-24, boulevard Royal, L-2449 Luxembourg. The Company is registered with the Register of Commerce and Companies of Luxembourg under the section B number 127.758. The Company is incorporated for an unlimited period.

The Company's financial year starts on January 1<sup>st</sup> and ends on December 31<sup>st</sup> of each year.

The main activity of the Company is the holding of participations in any form. The Company may further guarantee, grant loans or otherwise assists the companies in which it holds a direct or indirect interest or which form part of the same group. The Company may also act as an unlimited partner with unlimited liability for all debts and obligations of a limited partnership with a share capital (*société en commandite par actions*) or similar corporate structures, as well as manager of such companies.

The Company is included in the consolidated accounts of PayPal Holdings, Inc. (hereafter “the Group”) forming the smallest and the largest body of undertakings of which the Company forms a part as a subsidiary undertaking. The registered office of that company is located The Corporation Trust Company, 1209 Orange Street, Wilmington, New Castle County DE 19801, United States of America and the consolidated financial statements are available at this address.

Based on the criteria defined by Luxembourg law, the Company is exempted from the obligation to draw up consolidated accounts and a consolidated management report for the year ending December 31<sup>st</sup>, 2015. Therefore, in accordance with legal provisions, these annual accounts were presented on a non-consolidated basis to be approved by the Sole Shareholder during the Annual General Meeting.

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES****2.1 Basis of preparation**

The annual accounts have been prepared in accordance with Luxembourg legal and regulatory requirements under the historical cost convention.

Accounting policies and valuation rules are, besides the ones laid down by the modified Law of 19<sup>th</sup> December 2002, determined and applied by the Board of Managers of the Company.

The preparation of annual accounts requires the use of certain critical accounting estimates. It also requires the Board of Managers of the Company to exercise its judgment in the process of applying the accounting policies. Changes in assumption may have a significant impact on the annual accounts in the period in which the assumptions changed. The Board of Managers of the Company believes that the underlying assumptions are appropriate and that the annual accounts therefore present the financial position and results fairly.

**PayPal 2 S.à r.l.**

Notes to the annual accounts as at December 31<sup>st</sup>, 2015  
(continued)

**2.1 Basis of preparation (continued)**

The Board of Managers of the Company makes estimates and assumptions that affect the reported amounts of assets and liabilities in the next financial year. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

**2.2 Significant accounting policies**

The main valuation rules applied by the Company are the following:

**2.2.1 Foreign currency translation**

The Company maintains its accounting records in Dollar of the United States of America (USD) and the balance sheet and profit and loss account are expressed in this currency.

Transactions expressed in currencies other than the USD are translated into USD at the exchange rate effective at the time of the transaction.

Non monetary fixed assets denominated in currencies other than USD are translated into USD at the exchange rate effective at the date of the transaction. At balance sheet date they remain translated at historical exchange rates.

Short-term debtors and creditors are, according to their liquid criteria, translated on the basis of the exchange rates effective at balance sheet date. The unrealised exchange gains and losses are thus recorded in the profit and loss account.

Other assets and liabilities are translated separately respectively at the lower or at the higher of the value converted at the historical exchange rate or the value determined on the basis of the exchange rates effective at balance sheet date. The unrealised exchange losses are recorded in the profit and loss account. The exchange gains are recorded in the profit and loss account at the moment of their realisation.

Where there is an economic link between an asset and a liability, these are valued in total according to the method described above and the net unrealised loss is recorded in the profit and loss account and the net unrealised exchange gains are deferred until their realisation.

**2.2.2 Financial fixed assets**

Shares in affiliated undertakings are initially valued at purchase price including the expenses incidental thereto.

In case of a durable depreciation in value according to the opinion of the Board of Managers of the Company, value adjustments are made in respect of financial fixed assets, so that they are valued at the lower figures attributed to them at balance sheet date. These value adjustments are not continued if the reasons for which they were made have ceased to apply.

**2.2.3 Current Debtors**

Debtors are initially valued at their nominal value. They are subject to value adjustments where their recovery is compromised. These value adjustments are not continued if the reasons for which they were made have ceased to apply.

**PayPal 2 S.à r.l.**

Notes to the annual accounts as at December 31<sup>st</sup>, 2015  
(continued)

**2.2.4 Provisions**

Provisions are intended to cover losses or debts the nature of which is clearly defined and which, at balance sheet date are either likely to be incurred or certain to be incurred but uncertain as to their amount or as to the date on which they will arise.

Provisions may also be created to cover charges which originate in the financial year under review or in a previous financial year, the nature of which is clearly defined and which at the date of the balance sheet are either likely to be incurred or certain to be incurred but uncertain as to their amount or the date on which they will arise.

**2.2.5 Debts**

Debts are recorded at their reimbursement value.

## PayPal 2 S.à r.l.

Notes to the annual accounts as at December 31<sup>st</sup>, 2015  
(continued)

### NOTE 3 – FINANCIAL FIXED ASSETS – SHARES IN AFFILIATED UNDERTAKINGS

Shares in affiliated undertakings relate to companies included in the consolidated accounts of the Group as mentioned in Note 1.

The Company owns shares in the following affiliated undertakings:

<u>Name of company</u>	<u>Registered office</u>	<u>Shareholding in % 2015</u>	<u>Net equity 2015</u>	<u>Result of the year 2015</u>
			(USD)	(USD)
PayPal 3 S.à r.l.	Luxembourg	100	441,291.66	(15,628.78)
PayPal (Europe) S.à r.l.	Luxembourg	100	7,731,558.33	(36,138.34)
PayPal (Europe) S.à r.l. et Cie, S.C.A.	Luxembourg	99.79397	4,162,989,574	172,596,479

<u>Name of company</u>	<u>Registered office</u>	<u>Shareholding in % 2014</u>	<u>Net equity 2014</u>	<u>Result of the year 2014</u>
			(USD)	(USD)
PayPal 3 S.à r.l.	Luxembourg	100	456,920.44	(13,977.60)
PayPal (Europe) S.à r.l.	Luxembourg	100	7,767,696.67	(21,830.15)
PayPal (Europe) S.à r.l. et Cie, S.C.A.	Luxembourg	99.99965	2,876,854,321	122,062,330

The net equity of affiliated companies is established as at December 31<sup>st</sup>, 2015. Net equities include results for the financial year ended December 31<sup>st</sup>, 2015.

The net equity and the result of the year 2015 of the above-mentioned subsidiaries are based on non-approved annual accounts.

PayPal (Europe) S.à r.l. et Cie, S.C.A. is a financial institution duly authorised in Luxembourg to act as a bank.

## PayPal 2 S.à r.l.

Notes to the annual accounts as at December 31<sup>st</sup>, 2015  
(continued)

### NOTE 3 – FINANCIAL FIXED ASSETS – SHARES IN AFFILIATED UNDERTAKINGS (Continued)

Movements during the financial year were as follows:

	Shares in PayPal 3 S.à r.l.	Shares in PayPal (Europe) S.à r.l.	Shares in PayPal (Europe) S.à r.l. et Cie, S.C.A.	Total shares in affiliated undertakings
	(USD)	(USD)	(USD)	(USD)
Acquisition cost at the beginning of the financial year	550,000.00	93,200,000.00	2,537,191,000.00	2,630,941,000.00
Additions of the financial year	-	-	1,100,000,000.00	1,100,000,000.00
Disposals of the financial year	-	-	-	-
Transfers of the financial year	-	-	-	-
Acquisition cost at the end of the financial year	550,000.00	93,200,000.00	3,637,191,000.00	3,730,941,000.00
Accumulated value adjustments at the beginning of the financial year	(93,079.56)	(85,410,473.18)	-	(85,503,552.74)
Depreciations for the financial year	-	-	-	-
Reversals for the financial year	-	-	-	-
Transfers of the financial year	-	-	-	-
Accumulated value adjustments at the end of the financial year	(93,079.56)	(85,410,473.18)	-	(85,503,552.74)
Net book value at the beginning of the financial year	456,920.44	7,789,526.82	2,537,191,000.00	2,545,437,447.26
Net book value at the end of the financial year	456,920.44	7,789,526.82	3,637,191,000.00	3,645,437,447.26

During the financial year, the Company fully subscribed to four capital increases in PayPal (Europe) S.à r.l. et Cie, S.C.A: on February 26, 2015 for an amount of USD 300,000,000.00, on August 14, 2015 for an amount of USD 300,000,000.00, on October 21, 2015 for an amount of USD 200,000,000.00 and on December 8, 2015 for an amount of USD 300,000,000.00.

At balance sheet date, the fair value of the shares in affiliated undertakings owned by the Company is not lower than their net book value as reflected in the Company's annual accounts.

## PayPal 2 S.à r.l.

Notes to the annual accounts as at December 31<sup>st</sup>, 2015  
(continued)

**NOTE 4 - SUBSCRIBED CAPITAL**

As of July 14<sup>th</sup>, 2010, the sole shareholder of the Company decided to create an authorized share capital amounting to USD 10,000,000,000.00, represented by 10,000,000 shares of USD 1,000.00 each.

As of December 31<sup>st</sup>, 2014, the share capital of the Company was set at USD 2,540,000,000.00 represented by 2,540,000 shares of USD 1,000.00 each.

The movement on the "Subscribed capital" item during the year are as follows:

	<u>2015</u> <u>(USD)</u>	<u>Shares</u> <u>Total</u>
<b>Subscribed capital - opening balance</b>	<b>2,540,000,000.00</b>	<b>2,540,000</b>
Subscriptions for the year	1,100,000,000.00	1,100,000
<b>Subscribed capital - closing balance</b>	<b>3,640,000,000.00</b>	<b>3,640,000</b>

The capital increase for the year corresponds to the contributions in cash on February 26, 2015, on August 14, 2015 and on December 8, 2015 for an amount of USD 300,000,000.00 each, and on October 21, 2015 for an amount of 200,000.00 creating 1,100,000 new shares having a nominal value of USD 1,000.00 each, which have been subscribed and fully paid by the Company's sole shareholder.

As of December 31, 2015, the share capital of the Company is set at USD 3,640,000,000.00 represented by 3,640,000 shares of USD 1,000.00 each.



**PayPal 2 S.à r.l.**

Notes to the annual accounts as at December 31<sup>st</sup>, 2015  
(continued)

**NOTE 5 - LEGAL RESERVE**

Luxembourg companies are required to allocate to a legal reserve a minimum of 5 % of the annual net income, net of any accumulated losses brought forward, until this reserve equals 10 % of the subscribed share capital. This reserve may not be distributed.

**NOTE 6 - PROVISIONS FOR TAXATION**

This caption is comprised of the estimate of corporate income tax and net wealth tax charges for the financial year ended December 31, 2015, and for previous financial years.

**NOTE 7 - OTHER PROVISIONS**

Other provisions are only composed of provisions for external charges.

**NOTE 9 - STAFF**

The Company employed no staff during the year.

**NOTE 10 - ADVANTAGES GRANTED TO THE MANAGERS**

No emoluments, advances or loans or retirement engagements were granted to the Managers of the Company.

Paypal 2 S.à r.l.

Société à Responsabilité Limitée

Siège social: 22-24, boulevard Royal, L-2449 Luxembourg

RCS Luxembourg : B 127.758

Capital souscrit : USD 3,640,000,000.-

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- **Allocation of the result for the financial year ending December 31, 2015:**

<b><u>Result for the financial year:</u></b> <ul style="list-style-type: none"><li>• Loss for the financial year</li></ul>	(USD 15,014.65)
<b><u>Allocation of the result:</u></b> <ul style="list-style-type: none"><li>• Profit or Loss brought forward as at December 31, 2015</li></ul>	(USD 15,014.65)

This allocation of result is based on the proposal of the board of managers

- **Composition Board of manager:**

- M. Richard Swales, Manager, with professional address 22-24, Boulevard Royal, L-2449 Luxembourg (Luxembourg) ;
- Mrs Victoria Elizabeth Reanney, Manager, with professional address 22-24, Boulevard Royal, L-2449 Luxembourg (Luxembourg) ;
- M. David Ferri. Manager, with professional address 22-24, Boulevard Royal, L-2449 Luxembourg (Luxembourg) ;

- **Réviser d'entreprise agréé:**

- N/A

- **Modification of the statutes:**

- Constituted before Me Joëlle Baden, notary residing in Luxembourg, Grand Duchy of Luxembourg, on the eighteenth of the month of April 2007, published act at Memorial C n° 1318, as of June 29, 2007.

**Paypal 2 S.à r.l.**

**Société à Responsabilité Limitée**

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- Statutes have been modified for the last time on December 10, 2015 before Me Jacques Kessler, notary residing in Pétange, Grand Duchy of Luxembourg, and published act at Memorial C n ° 872, as of March 24, 2016.